

Message Text

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PAGE 01 CAIRO 00877 231128Z

11

ACTION EB-11

INFO OCT-01 NEA-10 ISO-00 AGR-20 CIAE-00 COME-00 INR-10

LAB-06 NSAE-00 RSC-01 SPC-03 STR-08 TRSE-00 CIEP-02

OMB-01 SS-20 NSC-10 L-03 DRC-01 /107 W

----- 018077

R 231034Z FEB 74

FM USINT CAIRO

TO SECSTATE WASHDC 5436

C O N F I D E N T I A L CAIRO 877

E.O. 11652: GDS

TAGS: ETRD EG

SUBJECT: COTTON BILATERAL

REF: A. STATE 31125; B. CAIRO 635

1. USINT (EDMONDS) CONTACTED HAMDI NASSEF ON FEBRUARY 21 AND DISCUSSED POINTS RAISED REF A. HIS VIEWS AS FOLLOWS KEYED REF A:

A. REGARDING PARA 13, THIS PARAGRAPH OMITTED FROM TEXT OF JURICH LETTER GIVEN TO NASSEF IN GENEVA, NASSEF BELIEVES THAT THIS IS SIMPLE CLERICAL ERROR. HE STATED THAT THIS PARA SHOULD BE REINSERTED.

B. TOTAL OF 65 MILLION SYE IS COMPROMISE POSITION BETWEEN FIGURE ORIGINALLY SUGGESTED BY NASSEF OF 93 MILLION SYE AS NOTED ARA ONE REF B, AND FIGURE OF 61,535,000 SYE IN JURICH LETTER.

C. RATIONALE FOR ONE YEAR PERIOD RATHER THAN TWO YEAR PERIOD AS STATED BY NASSEF IS AS FOLLOWS. THIS IS, SIMPLY, THAT WITH THE CHANGING ECONOMIC SITUATION IN EGYPT, AND WITH THE EXPECTED CHANGES IN TRADE PATTERNS THAT HE, AND OTHERS IN THE MINISTRY OF FINANCE, ECONOMY AND FOREIGN TRADE EXPECT WILL DEVELOP IN THE IMMEDIATE FUTURE, HE RELUCTANT SIGN AGREEMENT FOR MORE THAN ONE YEAR. NASSEF
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PAGE 02 CAIRO 00877 231128Z

SUGGESTED AS ONE POSSIBILITY THAT CONSIDERATION BE GIVEN

TO POSSIBILITY THAT BILATERAL NOT BE SIGNED FOR THIS YEAR,
AND THAT NEGOTIATION BE DIRECTED TOWARD NEGOTIATING NEW
AGREEMENT YEAR HENCE.

2. COMMENT: KHATIB, ACCORDING NASSEF, WAS ACTING ON
INSTRUCTIONS; HOWEVER, IT APPARENT THAT THERE GAP BETWEEN HIS AND
VIEWS EXPRESSED BY NASSEF. WISH NOTE THAT NASSEF IS KEY, AND
ONLY COMPETENT OFFICIAL IN EGYPTIAN GOVERNMENT ON COTTON AGREEMENTS.
(THIS IS CONFIRMED BY OTHER EMBASSIES INCAIRO.) WHEN SUBJECT OF
WHERE TO CONTINUE DISCUSSIONS WAS RAISED, NASSEF STATED THAT IT
MADE NO DIFFERENCE WHERE THEY WERE HELD AS FAR AS HE WAS CONCERNED.
USINT RECOMMENDS THT ONGOING NEGOTIATIONS BE HELD IN WASHINGTON. ALSO
BELIEVES THAT DIRECT PARTICIPATION NASSEF WOULD CLARIFY LINES OF
COMMUNICATION, AT LEAST ON THE EGYPTIAN SIDE.
EILTS

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Message Attributes

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Decaption Date: 01 JAN 1960
Decaption Note:
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Disposition Authority: golinofr
Disposition Case Number: n/a
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Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
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Errors: N/A
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EO Systematic Review
30 JUN 2005

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